Remarks on Presenting the Presidential Medal of Freedom to Secretary of Defense William J. Perry at Fort Myer, Virginia *January 14, 1997*

Thank you very much. General Shalikashvili, Mrs. Shalikashvili, distinguished leaders of the United States Armed Forces, Members of Congress, service members in our Armed Forces assembled here today, friends of Secretary and Mrs. Perry, and to Bill and Lee and your children and your grandchildren, your other family members who are here today. Let me say that for Hillary and me this is a bittersweet day, a great privilege for us to be here to honor Bill and Lee, a great regret that our Nation will be losing—as all nations must and we, too, must from time to time-one of the ablest people who ever served the United States in any position. We come to honor Bill Perry, the leader, the statesman, and the friend of America's Armed Forces.

Once he was asked if he had ever aspired to a career in Government service, and he replied, "No. I was a math major." Fortunately for the rest of us, he set aside his love of mathematics and engineering to serve in demanding levels of Government where the clarity and precision of his training and insight and ability were highly valued and sorely needed. He did so with remarkable distinction, accomplishment, and integrity. And I agree with Shali: When the history of our time is written, Bill Perry may well be recorded as the most productive, effective Secretary of Defense the United States ever had.

His association with our military dates to his service as an enlisted man at the end of World War II, then as an Army Reserve officer. At Stanford he helped to educate and sharpen some of our Nation's great young minds. As a businessman, he created jobs and prosperity for his home State of California. As Under Secretary of Defense in the late 1970's, it was his vision and drive and leadership that brought from the drawing board to deployment in record time many of the advanced technologies that were vital to our Nation's victory in Operation Desert Storm. Bill Perry was one of the great and, indeed, unsung heroes of the Gulf war.

But we gather today, first and foremost, to honor and thank Bill and Lee for their last 3 years leading the Defense Department. This was a difficult job but the perfect one for Bill Perry. He completed the post-cold-war drawdown of our Armed Forces while increasing their readiness capabilities and technological edge, something no one thought could be done. The simple fact is that this is one of the great managerial achievements in our country's history. Today our troops are the best trained, the best equipped, the best prepared fighting force in the world. And they have proven that again and again on Bill Perry's watch, from Haiti to Bosnia to the Persian Gulf.

Bill Perry downsized without downgrading morale. He always valued and honored the service of people who do the hard work of ensuring our security. And as the Vice President well knows, he brought reinventing Government right into the E wing of the Pentagon with commonsense acquisition and financial reform. He never let the crisis of the moment deter him from meeting the long-term challenges and seizing the long-term opportunities to build a more secure future for the United States.

He led our successful effort to dismantle and de-target thousands of Russian nuclear warheads once aimed at American cities and to eliminate nuclear warheads from Kazakstan, Ukraine, and Belarus. The cooperative threat reduction program he managed has helped keep nuclear materials from falling into the hands of rogue states and terrorists. He helped to build a new security architecture in Europe through NATO's Partnership For Peace program. He reinvigorated our security ties with Japan and established new security relationships with Russia, China, and our neighbors in Latin America.

The Department of Defense is the largest and most complex organization in our Nation's Government. He ran it hands-on. This method would be demanding enough at any Federal agency, but when your headquarters is the Pentagon and your staff numbers 3 million, what Bill calls "management by walking around" is all the more remarkable. But as has been said today by others who know well, it is his affinity for and his commitment to our Nation's troops, the men and women who serve at home, abroad, and at sea and who are sent into harm's way at a moment's notice, which I most admire.

In many of our private meetings together over the last 3 years, Bill Perry would always—always—bring up the welfare, the morale, the interests, and the future of our men and women in uniform who are enlisted personnel and their families. Secretary Perry's many trips abroad—and as the most traveled Defense Secretary in the history of the United States, there were many trips—were as much about checking in with our troops and their families and checking on their quality of life as they were about meeting with defense ministers and military leaders in other lands.

As a former private, his heart never left the members of the enlisted corps. As a former lieutenant, he understood the leadership demands we place upon our junior officers. But above all, he understood that whether enlisted or officer, military service is the ultimate expression of patriotism by those who choose to wear our uniform.

I will miss Bill Perry for many things, for his thoughtful temperament and manner, for speaking with the mathematician's unadorned clarity, a rarity in Washington. Teddy Roosevelt said that those of us in positions of authority should speak softly and carry a big stick. Bill Perry spoke softly and carried the biggest stick in the world with great care and a great effect. His quiet confidence was always an incredible comfort to me. There were qualities which our allies relied upon, and as long as he was Secretary of Defense, I never went to bed a single

night worried about the security of the United States or the welfare of our men and women in uniform. His practice of bipartisanship earned Bill Perry the trust and respect of the Congress and the American people as well as credibility abroad as an American who could speak for the entire country.

Many of you know that Secretary Perry's personal hero is his predecessor General George Marshall. During the crisis days of World War II, Marshall lived right here at Fort Myer and then went on to become a great Secretary of State and the third Secretary of Defense. While Bill Perry is one of just 16 to follow him in that difficult job, I believe he is the successor George Marshall would be most proud of.

The measure of a great Defense Secretary is whether he leaves our military stronger and our Nation safer than on the day he took office. It is, and we are.

And so it is my great privilege as President, as Commander in Chief, and as a grateful American citizen, to present William J. Perry with the Presidential Medal of Freedom, the Nation's highest civilian award.

Commander, publish the order.

NOTE: The President spoke at 10:40 a.m. in Conmy Hall. In his remarks, he referred to General Shalikashvili's wife, Joan, and Secretary Perry's wife, Leonilla. Following the President's remarks, Spec. John Christ, USA, 3d U.S. Infantry (the Old Guard), read the citation.

Statement on the National Economy *January 14, 1997*

Today's Consumer Price Index report makes clear that 1996 was an exceptional year for the economy in terms of low inflation and low unemployment. Indeed, the report confirms that the combined rate of unemployment and inflation, the so-called misery index, was lower in 1996 than in any year since 1968. We also learned that in the last 3 years we have had stronger real average hourly wage growth than during any 3-year period in nearly two decades

(1976-1978). Moreover, the core inflation rate in 1996 was as low as any year since 1965.

This is good news for the American people and more evidence that our economic strategy is working. Now is the time to work together in a bipartisan fashion and build on our success. That's why we will continue our efforts to reduce the deficit to zero, expand trade, and increase educational opportunities.